

Press Release

Delivery of DEWA PJSC strategy offers exceptional potential to deliver recurring shareholder returns

Dubai, UAE, 23 November 2022: Dubai Electricity and Water Authority PJSC (ISIN: **AED001801011**) (Symbol: **DEWA**), the Emirate of Dubai's exclusive electricity and water services provider, which is listed on the Dubai Financial Market (DFM), has emphasised that its remarkable success in delivering on its strategy maximises returns to its shareholders. **DEWA's strategy is focused on delivering sustainable growth, staying at the forefront of smart and innovative operational excellence, and optimising returns for all its stakeholders whilst minimising its environmental footprint.**

Corporate & Growth Strategy

DEWA's sustainable growth pillars involve prioritising and meeting the needs of the Emirate of Dubai, maximising returns from its operating portfolio of assets, delivering innovative and sustainable 'green' returns, expanding its portfolio's operating footprint and offerings across the UAE, and considering smart international growth and partnerships across its portfolio.

State-of-the-art Infrastructure

"We are guided by the vision of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, to provide a state-of-the-art infrastructure that consolidates Dubai's position as a preferred destination for living, working, investing and visiting. We are also prepared to meet the growing demand for electricity and water services according to the highest standards of availability, reliability, efficiency and quality. We strive to keep pace with demand by implementing pioneering projects to diversify sources of energy production to include various clean and renewable energy sources and technologies in Dubai and expand the Mohammed bin Rashid Al Maktoum Solar Park projects. This will help achieve the Dubai Clean Energy Strategy 2050 and the Dubai Net Zero Carbon Emissions Strategy 2050 to provide 100% of Dubai's total power production capacity from clean energy sources by 2050," said **HE Saeed Mohammed Al Tayer, MD&CEO of DEWA.**

"Our strategy, growth pillars, and capital commitments are well positioned to deliver on our energy transition ambitions and reduce our carbon intensity to achieve our 2050 net zero ambitions, whilst supporting the strong demand for our exclusive portfolio of products and services in Dubai. At DEWA, we are focused on disrupting the nature of our sector by being at the forefront of innovation, and this is of strategic importance to us. The delivery of our strategy has already started to offer exceptional returns to our shareholders. DEWA's strategy is focused on ensuring consistency of returns, durability of growth, and compounding our growth value over time, which forms the bedrock of our core value proposition," added **Al Tayer.**

Record Profits

DEWA reported a record net profit of AED 6.47 billion in the first nine months of 2022, an increase of 21% compared to the same period of 2021 and nearly at par with its full year net profit of 2021. Revenue in the first nine months of 2022 was AED 20.63 billion, an increase of 15% compared to the same period in 2021. DEWA is on track to deliver the best full year financial performance in its history.

Growth Pillars

DEWA's sustainable growth is driven by various factors, including the growing demand for power and water in Dubai. As Dubai's exclusive power and water provider, DEWA provides its services to 3.541 million people living in Dubai and the Emirate's active daytime population of over 4.7 million. These numbers are expected to grow to 5.8 million and 7.8 million, respectively, by 2040. In the first 9 months of 2022, Dubai attracted 10.12 million international overnight visitors. Demand for energy in the first nine months of 2022 reached 40.7 TWh compared to 38.6 TWh in the first nine months of 2021. Further, DEWA's peak demand in the first nine months of 2022 was 9.5 GW, which represents a 3.3% increase over the same period of last year. **Growth in demand is directly correlated to an increase in the usage of DEWA's products and services, resulting in higher earnings and increased returns to its shareholders.**

Investment in New Technologies

In line with its vision to be a globally leading sustainable innovative corporation, DEWA focuses on anticipating, preparing and planning for future challenges and turning them into promising opportunities. The Green Hydrogen project, which has been implemented in collaboration between DEWA, Expo 2020 Dubai, and Siemens Energy at DEWA's R&D Centre in the Mohammed bin Rashid Al Maktoum Solar Park, is the first of its kind in the MENA region to produce hydrogen using solar power. The pilot project was designed to facilitate future applications and test platforms for different uses for hydrogen, such as energy production, transportation and industrial usage.

To encourage green transport, DEWA has installed 336 Green Charging stations for electric vehicles across Dubai, with plans to increase this number to over 1,000 stations by 2025. **As the number of electric vehicles in the UAE continues to grow, DEWA is well-positioned to gain from offering EV charging services for registered and non-registered electric vehicles across its network.**

Electricity and Water Capacity

DEWA's core portfolio of generation assets and planned additions are world-class. A summary snapshot of its operating footprint is as follows:

Current Power Generation Capacity & Additions

- Jebel Ali Station and Al Aweer Station | gas fired | 10,700 MW (Jebel Ali station is the largest gas fired power station in the world)
- Hassyan Station | 1,800 MW | gas fired | IPP model | 600 MW capacity addition planned

C. Mohammed bin Rashid Al Maktoum Solar Park | 1,827 MW | IPP Model | 1,000MW to be added by 2025 and 2,200MW to be added by 2030 | world's largest single-site solar park based on the Independent Power Producer (IPP) model, with a dedicated R&D Centre

D. Hatta | 250MW | pumped-storage hydroelectric plant | under construction | first of its kind in the GCC

Water Production Capacity & Additions

A. Jebel Ali Station | 490 MIGD | largest water desalination facility in the world

B. Hassyan station | IWP model | 120 MIGD to be added by 2025 and 120 MIGD addition to be added by 2030

Its electricity and water assets are supported by transmission and distribution assets that provide network reliability and availability, exceeding global utility benchmarks.

Subsidiary Spotlight

- **Empower**
 - Majority-owned by DEWA, Empower is the world's largest district cooling provider by connected capacity and currently holds around 80% market share in Dubai. It is listed in Dubai Financial Market
- **Mai Dubai**
 - 100% owned by DEWA, Mai Dubai operates a modern and fully automated drinking water bottling facility that is run entirely on green (solar) energy. It has grown rapidly to No. 2 position in UAE in a short period of time and aspires to become the market leader
- **Etihad ESCO**
 - 100% owned by DEWA, Etihad ESCO is the lead energy efficiency services company in Dubai driving several energy-efficiency enhancement projects including Solar, electromechanical, retrofit & facility management
- **Digital DEWA**
 - 100% owned by DEWA, the company operates a portfolio of businesses specialized in information and digital technologies including providing cloud solutions, hosting services, managed business and automation solutions, Internet of Things etc.
- **Dubai Green Fund**
 - The first specialised 'green' investment fund in MENA, 100% owned by DEWA, dedicated to support green projects in Dubai and poised to play a key role in Dubai's energy transition strategy.
- **Forward Investments**
 - Corporate venture capital fund, 100% owned by DEWA and mandated to invest in strategic ventures and high growth firms connected with our utility-related businesses

Sustainable Growth

DEWA has grown along with Dubai's expanding economy, population, and world-class competitive infrastructure, emphasising the Emirate's position as a global city. DEWA is therefore both integral to, and benefits from Dubai's past and current economic growth. DEWA plays a key role in Dubai's green energy transition process. DEWA has a world-class governance system and a continuous record of good governance across all its operations. With the highest standards of efficiency, quality, and availability, DEWA is ready to meet the increasing demand for electricity and water in the Emirate. DEWA's operational excellence, market position and service quality give the company a very attractive financial profile with high visibility over cash flow generation and shareholder returns.

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About Dubai Electricity and Water Authority PJSC

DEWA was created in 1992 as a result of the merger of the Dubai Electricity Company and the Dubai Water Department. DEWA is the exclusive electricity and water utility provider in Dubai. The Group generates, transmits and distributes electricity and potable water to end users throughout Dubai. DEWA owns majority shares of Empower, currently the world's largest district cooling services provider by connected capacity, and owns, manages, operates and maintains district cooling plants and affiliated distribution networks across Dubai. The Group also comprises a number of other businesses including Mai Dubai, a manufacturer and distributor of bottled water, Digital DEWA, a digital business solutions company, and Etihad ESCO, a company focused on the development and implementation of energy efficient solutions.

To find out more, visit <http://www.dewa.gov.ae>

Cautionary statements relevant to forward-looking information

This news release contains forward-looking statements relating to DEWA's operations that are based on management's current expectations, estimates and projections about the energy industry and other relevant industries that DEWA operates in. Words or phrases such as "anticipates," "expects," "intends," "plans," "targets," "forecasts," "projects," "believes," "seeks," "schedules," "estimates," "positions," "pursues," "may," "could," "should," "will," "budgets," "outlook," "trends," "guidance," "focus," "on schedule," "on track," "is slated," "goals," "objectives," "strategies," "opportunities," and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, many of which are beyond the company's control and are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. The reader should not place undue reliance on these forward-looking statements, which speak only as of the date of this news release. Unless legally required, DEWA undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

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